

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 33677
 Name: Canary Operating Corporation
 Address: 7230 W. 162nd Street, Suite A
 City/State/Zip: Stilwell, KS 66085
 Purchaser: _____
 Operator Contact Person: Steve Allee
 Phone: (913) 239-8960
 Contractor: Name: RLC Drilling, Inc.
 License: 33799
 Wellsite Geologist: Rex R. Ashlock
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>7/20/06</u>	<u>7/24/06</u>	<u>7/26/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-28214-00-00
 County: Miami
 SE SE NE Sec. 13 Twp. 16 S. R. 24 East West
2300 feet from S / (N) (circle one) Line of Section
330 feet from (E) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW 24 DRL
 Lease Name: Ray Well #: 32-13-16-28 3-19-07
 Field Name: Paola-Rantoul?
 Producing Formation: Lexington, Summit, Mulky
 Elevation: Ground: 1020 Kelly Bushing: _____
 Total Depth: 622' Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 20 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate If completion, cement circulated from 497'
 feet depth to surface w/ 111 sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve PB)
 Chloride content NA ppm Fluid volume 80 bbls
 Dewatering method used Evaporation
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]
 By Steve Allee
 Title: Senior VP of Operations Date: 7-26-06
 Subscribed and sworn to before me this 26 day of July
 20 06
 Notary Public: [Signature]
 Date Commission Expires: 7/10/09

KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

REX R. ASHLOCK
 Notary Public - State of Kansas
 My Appl. Exp. 1/10/09

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Operator Name: Canary Operating Corporation Lease Name: Ray Well #: 23-13-16-24
 Sec. 13 Twp. 16 S. R. 24 East West County: Miami

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)
 List All E. Logs Run:

Driller's Log Attached

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
Base KC 264
Lexington 500
Summit 539
Mulky 560

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	13 1/2"	10 3/4"	NA	20'	Portland	6	None
Production	9 7/8"	7"	17.0	497'	Portland	111	2% gel 2% CaCl ₂

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
Perforate				
Protect Casing				
Plug Back TD				
Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs: Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
None	Open holed from 497' to 622'	None	
		4 1/2" steel perf'd liner from 622' to 490', not cmt'd	

TUBING RECORD	Size Set At	Packers At	Liner Run
	1" to be set at 590' +/-	None	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Date of First Resumed Production, SWD or Enter: **Waiting on gas, electric, & wtr lines**
 Producing Method Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours	OR	Bbls.	Gas	Mcf	Water	Bbls.	Gas-Oil Ratio	Gravity
	None		NA		NA		None	None

Disposition of Gas **METHOD OF COMPLETION** Production Interval
 Vented Sold Used on Lease (If vented, Submit ACO-18.) Open Hole Perf. Dually Comp. Commingled
 Other (Specify)

x To be sold

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